



## KOIS CENTER, LLC PAYMENT & CANCELLATION AGREEMENT

THIS AGREEMENT (“Agreement”) is made between Kois Center, LLC, a Washington limited liability company (“Kois”), and any person who indicates his/her acceptance of its terms and conditions below (“you” or “your”).

### I. ONLINE COURSE REGISTRATION

The first part of this Agreement (Sections 1 through 11) applies specifically to all online course registrations that you submit to Kois:

1. **Course Registration; Certification.** You are responsible for course registration. Upon Kois’s acceptance of your completed course registration and payment of all or a part of the course registration fee, as provided in Section 2 below, you will be formally enrolled in the course. By registering for a course through the Kois Website, you certify that: (a) you have the legal authority to enter into this Agreement; (b) accept and agree to comply with the terms of this Agreement; and (c) you are the cardholder of the credit card provided for payment or that you have the legal authority and permission of the cardholder to authorize payment with the credit card provided.
2. **Course Fees and Payment Terms.** The amount of a course registration fee and the portion of such fee that constitutes a “deposit” will vary by course. You understand that it is your responsibility to pay the entire course registration fee and to meet the following payment terms. These payment terms constitute a binding payment agreement between Kois and you and reserves a space for you in the registered course; provided, however the entire course registration fee is paid in a timely manner. Your course registration fee will be paid via a credit card (the preferred means of payment - Kois accepts Visa or MasterCard), by cash, by your application of “Kois Bucks,” as defined below, and/or by your application of your “Customer Credit,” as defined below, in accordance with the terms of this Agreement.
  - a. Kois Bucks.
    - (1) Issuance. From time to time Kois may issue to you “Kois Bucks.”
    - (2) Value. Each Kois Buck shall have a value that is equivalent to One and No/100 Dollar (\$1.00 (U.S.)).
    - (3) Expiration Period. If and when Kois Bucks are issued to you, the Kois Bucks shall have an expiration date that is twenty-four (24) months from the date of issuance unless another expiration date is expressly provided with respect to the issued Kois Bucks. To the extent Kois Bucks are applied towards the payment of a course registration fee or towards the payment of a “Product,” as defined in Section 12 below, and if for any reason returned to you for possible future use as if the Kois

Bucks were never applied, the original expiration date of such Kois Bucks shall remain the same.

- (4) Use. If you receive Kois Bucks from Kois, the use of your issued Kois Bucks shall be in accordance with and subject to the terms of this Agreement. At the time you register for a course through the Kois Website, you shall have a right to apply some or all of your unused Kois Bucks towards the course registration fee. Use of your Kois Bucks will result in you having to pay a smaller dollar amount for your course registration fee than if you did not use your Kois Bucks.
- (5) Right to Transfer Kois Bucks. You may transfer any of your issued and unused Kois Bucks to a third party in accordance with Section 7 of this Agreement. However no monetary consideration shall be paid to you for your transfer of Kois Bucks and if Kois becomes aware that monetary consideration has been paid then such purported transfer shall be deemed void and the Kois Bucks that are the subject of such transfer shall be immediately voided.
- (6) No Cash Redemption. Kois Bucks shall not be redeemable by you or any transferee for cash or for any other consideration from Kois.
- (7) Disposition of Kois Bucks. In the event of your death or the dissolution of Kois then all of your Kois Bucks shall be deemed void. In the event all or substantially all of Kois's assets are sold then all of your Kois Bucks shall be deemed void unless the purchaser of such assets expressly agrees to assume the obligations and duties of Kois under this Agreement after the closing date.

b. Customer Credit.

- (1) Definition. For purposes of this Agreement your Customer Credit shall mean any one of the following and in determining your Customer Credit the amount of any processing fee paid by you to Kois and the value of the Kois Bucks that you applied towards the payment of a course registration fee are excluded:
  - (a) The amount of a course registration fee that you have paid up to the date you cancel your course registration, subject to Section 4 below: (i) in cash; (ii) by credit card; and/or (iii) by the application of the amount of cash and/or credit charges that you have previously paid to Kois for another Kois course or for the purchase of a Product the amount of which has been credited back to you because such other Kois course was cancelled or because your registration for such other Kois course was cancelled or because the Product was returned to Kois for a refund.
  - (b) The amount of a course registration fee that you have paid up to the date that Kois cancels the course for which you are registered: (i) in cash; (ii) by credit card; and/or (iii) by the application of the amount of cash and/or credit charges that you have previously paid to Kois for another Kois course or for the purchase of a Product the amount of which has been credited back to you because such other Kois course was cancelled or because your registration for such other Kois course was cancelled or because the Product was returned to Kois for a refund.

- (c) The amount of a course registration fee that you have paid up to the date Kois cancels your course registration for nonpayment of the course registration fee and subject to Section 4 below: (i) in cash; (ii) by credit card; and/or (iii) by the application of the amount of cash and/or credit charges that you have previously paid to Kois for another Kois course or for the purchase of a Product the amount of which has been credited back to you because such other Kois course was cancelled or because your registration for such other Kois course was cancelled or because the Product was returned to Kois for a refund.
  - (d) Any amount that you prepay to Kois in cash or by credit card for your account without designating how such prepayment is to be applied towards a course registration fee or towards the payment of a Product.
- (2) Right to Transfer Your Customer Credit. You may transfer any amount of your Customer Credit to a third party in accordance with Section 7 of this Agreement.
- (3) Disposition of Customer Credit. Except as expressly provided in this Section 2b(3), Kois shall not be obligated to issue a cash refund for your Customer Credit.
- (a) In the event of your death, the amount of your Customer Credit that has not been designated for use as of the date of your death and the amount of your Customer Credit that has been designated for use but not used, e.g., you die prior to attending a course for which you are registered and where a portion of the course registration fee was paid with your Customer Credit, shall be refunded to your designated beneficiary in the form of a check and mailed to your designated beneficiary within ninety (90) days after Kois has received from your designated beneficiary a certified copy of your death certificate and an instrument signed by the personal representative of your estate that directs Kois to refund such amount of the Customer Credit to your designated beneficiary and that provides Kois with your designated beneficiary's mailing address within ninety (90) days of the date of your death.
  - (b) In the event Kois is dissolved, the amount of your Customer Credit that has not been designated for use as of the date of such dissolution and the amount of your Customer Credit that has been designated but not used, e.g., Kois is dissolved prior to your attendance at a course for which you are registered and where a portion of the course registration fee was paid with your Customer Credit, shall be refunded to you in the form of a check and mailed to you within thirty (30) days after such dissolution unless otherwise prohibited by law.
  - (c) In the event all or substantially all of the assets of Kois are sold, the amount of your Customer Credit that has not been designated for use as of the closing date of such sale and the amount of your Customer Credit that has been designated but not used as of such closing date, e.g., all of the assets of Kois are sold prior to your attendance at a course for which you are registered to attend and where a portion of the course registration fee was paid with your Customer Credit, shall be refunded to you in the form of a check and mailed to you within thirty (30) days after such closing date except that no refund will be paid to you if the

purchaser of such assets has agreed to conduct the course for which you are registered to attend.

- c. Credit Card Transaction Authorization. If you elect to pay the course registration fee with your credit card then you: (i) authorize Kois to charge your card for the full amount of the fee on the payment terms provided in Section 2d, 2e or 2f below; (ii) consent to the transfer of your encrypted credit card information and the dollar amount of the transaction to external companies for credit verification; and (iii) agree to pay the amount charged according to the card issuer agreement.
- d. Single Credit Card Payment. If you elect to pay the course registration fee for a course on your credit card and indicate as part of your registration that the fee is to be paid in its entirety in a single payment, then you specifically authorize Kois to charge your credit card the full amount of the course registration fee immediately less the amount of your Kois Bucks (if any) that are applied towards the course registration fee and less the amount of your Customer Credit (if any) that is applied towards the course registration fee. The first amount that you pay towards the course registration fee (whether by cash, credit card, Kois Bucks or by Customer Credit) up to the amount of the deposit designated for that course is deemed your deposit for the course. Except as otherwise provided in this Agreement, your deposit is non-refundable.
- e. Two Credit Card Payments. If you: (i) register for a course more than 60 days before the scheduled course start date; (ii) elect to pay the course registration fee on your credit card; and (iii) indicate as part of your registration that the fee is to be paid in two (2) installment payments, then you specifically authorize Kois to: (A) charge your credit card at the time Kois accepts your registration a dollar amount equal to the deposit designated for such course less the amount of your Kois Bucks (if any) and less the amount of Customer Credit (if any) that you apply towards the payment of this deposit; and (B) charge your credit card the balance of the course registration fee (excluding the amount of your Kois Bucks (if any) and Customer Credit (if any) that you apply towards the payment of such balance) sixty (60) days prior to the scheduled start date of course identified as part of your registration.
- f. Installment Credit Card Payments Payable 120 Days or More Before Scheduled Course Start Date. If you: (i) register for a course at least 120 days or more before the scheduled course start date; (ii) elect to pay the course registration fee on your credit card; and (iii) indicate as part of your registration that the fee is to be paid in monthly installments, then you specifically authorize Kois to: (A) charge your credit card at the time Kois accepts your registration: (1) a dollar amount equal to the deposit designated for such course less the amount of your Kois Bucks (if any) and less the amount of Customer Credit (if any) that you apply towards the payment of deposit; and (2) a processing fee equal to three percent (3%) of the course registration fee; and (B) charge your credit card the balance of the course registration fee less the amount of your Kois Bucks (if any) and Customer Credit (if any) that you apply towards the payment of such balance, which shall be payable in equal monthly installments. The amount of each monthly payment shall equal the result of dividing the balance of the course registration fee (excluding the amount of Kois Bucks that have been applied (if any) and the amount of Customer Credit (if any) that you apply toward the payment of such balance at the time of registration) by a number that is equal to the number

of days between the number of days you registered before the scheduled course start date minus sixty (60) days and then divided by thirty (30). Any fractional quotient would be rounded to the next highest whole number and this number will be the number of your monthly installments unless the 15th day of the month that is at least sixty (60) days before the scheduled course start date occurs before that last payment in which case your calculated number of monthly installments would be reduced by one. The first monthly installment payment shall be on the 15th of the month following your registration with the final payment taking place on the 15th of the month which is at least sixty (60) days before the scheduled course start date. The following illustrates this installment payment method:

#### Scenario No. 1

*Assume you register for a June 2 course on December 16, which is 168 days before the scheduled course start date and also assume the course registration fee for this course is \$4,000 and that the deposit for this course is \$500.00. Further assume you do not apply any Kois Bucks or Customer Credit towards the payment of the course registration fee. After authorizing Kois to charge your credit card \$620 (the sum of the \$500 non-refundable deposit and the \$120 processing fee (3% of \$4,000.00)), there is a balance owing of \$3,500.00. In this scenario your payment period for the course would now be 108 days (168 days – 60 days) except that full payment must be made by March 15 (the 15th of the month that is at least 60 days before the scheduled course start date). Accordingly Kois would be authorized to charge your credit card the sum of \$1,166.67 on the Jan. 15 and Feb. 15 and \$1,166.66 on March 15 following your registration date. The amount of your three (3) payments would be determined as follows: (i) 108 (168 - 60) divided by 30 equals 3-3/5th; (ii) this fractional quotient is rounded up to four (4), but since a fourth (4th) payment would otherwise occur on April 15 which would be after the March 15 deadline for full payment, the number of monthly payments is reduced by one (1) to three (3) payments; (iii) the course registration fee balance of \$3,500 is then divided by three (3), which results in two (2) monthly installment payments of \$1,166.67 and one monthly payment of \$1,166.66.*

#### Scenario No. 2

*Assume the same facts as in Scenario No. 1, except you register on December 14, which is 170 days before the scheduled course start date. In this scenario your payment period for the course would now be 110 days (170 days – 60 days). Again, full payment must be made by March 15 (the 15th of the month that is at least 60 days before the scheduled course start date). In this scenario Kois would be authorized to charge your credit card the sum of \$875 on the Dec. 15, Jan. 15, Feb. 15 and March 15 following your registration date. The amount of your four (4) payments would be determined as follows: (i) 110 (170 - 60) divided by 30 equals 3-2/3rds; (ii) this fractional quotient is rounded up to four (4) and since the fourth (4th) payment would occur on March 15, or the deadline for full payment, there is no reduction in the number of monthly payments; and (iii) the course registration fee balance of \$3,500 is then divided by four (4), which results in monthly installment payments of \$875.00.*

#### Scenario No. 3

*Assume the same facts as in Scenario No. 1, except you elect to apply \$500 worth of Kois Bucks to your deposit. In such an event Kois will only charge your credit card \$120 to pay the processing fee (3% of \$4,000), which would leave a balance owing of \$3,500.00. This balance would be paid in the same manner as described in Scenario No. 1.*

#### Scenario No. 4

*Assume the same facts as in Scenario No. 1, except you elect to apply \$500 worth of Kois Bucks to the balance of your course registration fee. In this situation Kois will be authorized to charge your credit card the sum of \$620 (\$500 for your deposit and \$120 for the processing fee), which would leave a balance owing of \$3,000 after application of your Kois Bucks. Your payment period for the course would now be 108 days (168 days – 60 days) except that full payment must be made by March 15 (the 15th of the month that is at least 60 days before the scheduled course start date). Accordingly Kois would be authorized to charge your credit card the sum of \$1,000 on the Jan. 15, Feb. 15 and March 15 following your registration date. The amount of your three (3) payments would be determined as follows: (i) 108 (168 - 60) divided by 30 equals 3-3/5th; (ii) this fractional quotient is rounded up to four (4), but since a fourth (4th) payment would otherwise occur on April 15 which would be after the March 15 deadline for full payment, the number of monthly payments is reduced by one (1) to three (3) payments; (iii) the course registration fee balance of \$3,000 is then divided by three (3), which results in three (3) monthly installment payments of \$1,000.00.*

- g. Installment Credit Card Payments Less than 120 Days Before Schedule Course Start Date. If you are registering for a course less than 120 days from the scheduled course start date and you want to pay the course registration fee with a credit card, then such payment will only be permitted in accordance with Section 2d or Section 2e, above.
- h. Registration within Sixty Days of Course. Notwithstanding any provision of this Section 2 to the contrary, if you register for a course within sixty (60) days of the scheduled course start date, then the course registration fee must be paid in full at the time of registration with a credit card in accordance with the provisions of Section 2d.
3. **Confirmation of Registration.** If you pay all or part of the course registration fee in accordance with Section 2 above, you will be promptly provided written confirmation of your registration by email (it is your responsibility to verify the validity of your email address that you provided to Kois within your profile on the Kois Website prior to completing your course registration). Notwithstanding confirmation of your registration for a course, you will only be allowed to attend that course once your course registration fee is paid in full.
4. **Cancellations and Refunds.** You understand and agree to the following cancellation and refund provision:
- a. Cancellation Sixty or More Days in Advance. If you cancel your course registration sixty (60) or more days prior to the scheduled course start date and are current on the payment terms of the course registration fee up to your cancellation date, then your Customer Credit with respect to this cancelled course will be available to you to apply towards the payment of another course registration fee and/or the purchase of Products (as provided in Section 15) as designated by you through your customer profile on the Kois Website. To the extent you

- applied your Kois Bucks toward the payment of such course registration fee such Kois Bucks will become available for your use as provided in and subject to the terms of this Agreement as if you never applied them. You will have one hundred eighty (180) days to designate how your Customer Credit that is attributable to the cancellation of your course registration should be applied. To the extent you fail to designate how any portion of such Customer Credit is to be applied within such 180-day period then the undesignated portions of such Customer Credit shall be forfeited to Kois as of the end of such 180-day period. Until you designate how a portion of the balance your Customer Credit is to be applied, Kois shall be entitled to commingle undesignated portions of your Customer Credit with its other funds and you will not be entitled to receive any credit for any interest accrual thereon. If you are paying the course registration fee on your credit card in installments (excluding any amount represented by the application of your Kois Bucks), Kois will immediately cease all further all credit card transactions after confirmation of your cancellation.
- b. Cancellation more than Thirty Days but less than Sixty Days in Advance. If you cancel your course registration thirty (30) or more days but less than sixty (60) days prior to the scheduled course start date and are current on the payment terms of the course registration fee up to your cancellation date, then the amount of any processing fee paid by you and your deposit (including any amount of your deposit represented by the application of your Kois Bucks or Customer Credit) will be forfeited to Kois but the balance of your Customer Credit attributable to the cancellation of your course registration will be available to you to apply towards the payment of another course registration fee and/or the purchase of Products as designated by you through your customer profile on the Kois Website. To the extent you applied your Kois Bucks toward the payment of such course registration fee such Kois Bucks (excluding those Kois Bucks applied to your deposit) will become available for your use as provided in and subject to the terms of this Agreement as if you never applied them. You will have one hundred eighty (180) days to designate how the balance of such Customer Credit should be applied. To the extent you fail to designate how any portion of such balance is to be applied within such 180-day period, the undesignated portion of such Customer Credit shall also be forfeited to Kois as of the end of such 180-day period. Until you designate how a portion of the balance of such Customer Credit is to be applied, Kois shall be entitled to commingle undesignated portions of your Customer Credit with its other funds and you will not be entitled to receive any credit for any interest accrual thereon.
- c. Cancellation less than Thirty Days in Advance. If you cancel your course registration less than thirty (30) days prior to the scheduled course start date, then the total amount that you have paid for such course up to the cancellation date whether by cash, credit card, Customer Credit or Kois Bucks shall be forfeited to Kois as of the cancellation date.
- d. Form of Communications to Kois. All cancellations, designations and rescheduling requests are to be initiated by you through your profile on the Kois Website. If you are unable to access your profile on the Kois Website, any cancellation, designation and/or rescheduling must be in writing and sent to Kois by email to [info@KoisCenter.com](mailto:info@KoisCenter.com) or by fax to the Attention of the "Chief Operations Officer" at (206) 621-7609. You shall be responsible for confirming receipt by Kois of your cancellations, designations and/or rescheduling.
- e. Cancellation by Kois. Kois reserves the right to cancel courses in cases of insufficient enrollment or in other circumstances. In the event your registered course is cancelled by Kois, you will be notified at least ninety (90) days prior to the scheduled course start date and be

given the right to have all or some of the payments made by you in cash or by credit card and that were applied towards such course registration fee (excluding any application of your KoIs Bucks and your Customer Credit) refunded to you. If you elect to have all or a portion of such amount refunded to you, KoIs shall do so within sixty (60) days following its receipt of your written election. To the extent you do not request a refund of a portion thereof within the time period stated in the cancellation notice, the amount that is not refunded shall be treated as part of your Customer Credit that is attributable to the cancellation of this course for possible future use as permitted under this Section 4e. You will have one hundred eighty (180) days from the date KoIs notifies you of the course cancellation to designate how the amount that is treated as your Customer Credit pursuant to the terms of this Section 4e is to be applied. If you fail to designate how any portion of such Customer Credit is to be applied within such one hundred eighty (180) days period, then the undesignated portion of such Customer Credit shall also be forfeited to KoIs as of the end of such one hundred eighty (180) days period. Until you designate how a portion of the balance of such Customer Credit is to be applied, KoIs shall be entitled to commingle undesignated portions of such Customer Credit with its other funds and you will not be entitled to receive any credit for any interest accrual thereon. If you applied KoIs Bucks towards the payment of the course registration fee prior to KoIs cancelling such course, then the number of KoIs Bucks that you applied towards the course registration fee shall be restored to you for your use as provided in and subject to the terms of this Agreement as if they had never been applied.

- f. Guaranteed Satisfaction. KoIs will give you a full refund of a course registration fee excluding any processing fee paid by you and that amount of course registration fee to which you applied your KoIs Bucks if you: (i) are not 100% satisfied with the registered course after attending; and (ii) you notify KoIs of your request for refund and the reasons for your dissatisfaction in writing within ten (10) days after completion of the course in accordance with Section 4d. If KoIs gives you a refund as provided in this Section 4f, then the number of KoIs Bucks that you applied towards the course registration fee shall be restored to you for your use as provided in and subject to the terms of this Agreement as if they had never been applied.
- g. No Liability for Other Expenses and Costs. Except for the refund of a portion of the course registration fees paid to KoIs, as expressly stated in this Agreement, KoIs will at no time be responsible for expenses incurred by you or on your behalf.

5. **Right to Cancel Your Registration for a Course.** Notwithstanding any provision of this Agreement to the contrary, you understand and agree that KoIs shall have right to cancel your registration for a course for which you are registered to attend, as provided below, because of your nonpayment of the course registration fee:

- a. Nonpayment Thirty Days Prior to Scheduled Course Start Date. If it is thirty (30) days or less before the scheduled course start date of a course for which you are registered and if you have not paid KoIs the entire course registration fee for such course, then your registration for such course shall be cancelled due to your nonpayment as of the date KoIs notifies you of such cancellation and any payments made by you and applied toward this course registration fee (including any processing fee and any payments which you are credited with making including your application of your KoIs Bucks and/or Customer Credit) shall be forfeited to KoIs as of the date of such notice.

- b. Nonpayment More than Thirty Days but Less than Sixty Days Prior to Scheduled Course Start Date. If it is more than thirty (30) days but less than sixty (60) days before the scheduled course start date of a course for which you are registered and if you have not paid Kois the entire course registration fee for such course, then your registration for such course shall be cancelled due to your nonpayment as of the date Kois notifies you of such cancellation and the amount of any processing fee paid by you and your deposit (including any amount of your deposit represented by the application of your Kois Bucks and/or Customer Credit) will be forfeited to Kois as of the date of such notice. However the balance of your Customer Credit that is attributable to the course for which your registration has been cancelled will be available to you to apply towards the payment of another course registration fee and/or the purchase of Products as designated by you through your customer profile on the Kois Website. To the extent you applied your Kois Bucks toward the payment of such course registration fee (excluding those Kois Bucks applied towards the payment of the deposit) such Kois Bucks will become available for your use as provided in and subject to the terms of this Agreement as if you never applied them. You will have one hundred eighty (180) days to designate how the balance of such Customer Credit should be applied. To the extent you fail to designate how any portion of such balance is to be applied within such 180-day period, the undesignated portion of such Customer Credit shall also be forfeited to Kois as of the end of such 180-day period. Until you designate how a portion of the balance of such Customer Credit is to be applied, Kois shall be entitled to commingle undesignated portions of your Customer Credit with its other funds and you will not be entitled to receive any credit for any interest accrual thereon.
- c. Nonpayment More Than Sixty Days Prior to Scheduled Course Start Date. If it is more than sixty (60) days prior to the scheduled course start date of a course for which you are registered and if you have failed to make a required payment towards the course registration fee as of such payment's due date, then your registration for such course shall be cancelled due to your nonpayment as of the date Kois notifies you of such cancellation and any payments made by you and applied toward this course registration fee (including any Customer Credit that you applied but excluding any processing fee paid by you and excluding the application of Kois Bucks) will become your Customer Credit that is attributable to the course for which your registration has been cancelled and will be available to you to apply towards the payment of another course registration fee and/or the purchase of Products (as provided in Section 15) as designated by you through your customer profile on the Kois Website. To the extent you applied your Kois Bucks toward the payment of such course registration fee such Kois Bucks will become available for your use as provided in and subject to the terms of this Agreement as if you never applied them. You will have one hundred eighty (180) days to designate how your Customer Credit should be applied. To the extent you fail to designate how your Customer Credit is to be applied within such 180-day period the undesignated portion of your Customer Credit shall be forfeited to Kois as of the end of such 180-day period. Until you designate how your Customer Credit is to be applied and before it is forfeited to Kois, it will be held by Kois, who shall be entitled to commingle the amount of your Customer Credit with its other funds and you will not be entitled to receive any credit for any interest accrual thereon.
6. **Method of Crediting.** Notwithstanding any provision of this Agreement to the contrary, if you cancel your course registration under Section 4 above, or if Kois cancels a course for which you are

registered under Section 4e, or if Kois cancels your registration for a course due to your nonpayment of the course registration fee under Section 5 and if either your deposit and/or your Customer Credit attributable to the course in question is to be forfeited to Kois, then the following rules shall apply:

- a. Forfeiture of Deposit When Method of Payment Identified. If your deposit is to be forfeited, the method by which the deposit was paid will be what is forfeited to Kois.
  - b. Forfeiture of Deposit When Method of Payment Not Identified. If your deposit is to be forfeited but the method by which the deposit was paid was not identified because you paid the deposit and all or a portion of the balance of the course registration fee at the same time and did so with a combination of methods, i.e., credit card charges, application of Kois Bucks and/or application of your Customer Credit, then the forfeiture of the deposit shall be paid to Kois as follows: (i) first by forfeiture of your Kois Bucks that were applied to the course registration fee payment (if any); (ii) second by forfeiture of your Customer Credit applied to the course registration fee if the amount of your forfeited Kois Bucks is insufficient; and (iii) third by accepting your credit card charges or cash payments if the amount of your forfeited Kois Bucks and your forfeited Customer Credit are insufficient.
7. **Right to Transfer.** Provided you are then in compliance with the terms of this Agreement, you may pursuant to and subject to the terms of this Section 7 transfer all or any portion of your Customer Credit and/or all or any number of your Kois Bucks to another individual, who shall also have a profile on the Kois Website.
- a. Notice of Transfer. Before any desired transfer by you is effective you must notify Kois of any proposed transfer in accordance with Section 4d (the "Transfer Notice"). The Transfer Notice shall include the full name, office address, office telephone number and email address of the proposed transferee and shall state the amount of your Customer Credit and/or amount of your Kois Bucks to be transferred to the proposed transferee.
  - b. Authorization to Make Transfer. You agree that by submitting the Transfer Notice to Kois, you: (i) authorize Kois to transfer the amount of your Customer Credit and/or amount of your Kois Bucks stated on the Transfer Notice to the proposed transferee as soon as administratively possible after Kois's receipt of the Transfer Notice; (ii) agree to waive all claims that you might have against Kois with respect to the amount of your Customer Credit and Kois Bucks to be transferred to your proposed transferee; provided, however, Kois have complied with the terms of this Section 7; and (iii) indemnify and defend Kois and its members, managers, officers, employees and agents against any and all damages and costs (including attorneys' fees) incurred by Kois and/or its members, managers, officers, employees and agents and arising from claims, demands and notices by third parties in connection with the amount of your Customer Credit and/or amount of your Kois Bucks stated on your Transfer Notice to be transferred to the proposed transferee. Any expiration or forfeiture dates associated with your transferred Customer Credit and/or Kois Bucks shall continue to apply and be carried over after the effective date of the transfer with respect to the transferee.
  - c. Transferee Bound to Terms of Agreement. Any transferee who receives all or a portion of your Customer Credit and/or Kois Bucks pursuant to this Section 7 shall take your

transferred Customer Credit and Kois Bucks subject to the terms of this Agreement and by accepting such transfer shall be deemed to agree to be bound to the terms of this Agreement.

- d. Effective Date of Transfer. Any proposed transfer by you of all or any portion of your Customer Credit and/or all or any number of your Kois Bucks under this Section 7 shall only be deemed effective when the Transfer Notice that satisfies the requirements of Section 7a is submitted to Kois under this Section 7.
8. **Certificates.** Upon completion of the course, you may receive a certificate evidencing such completion. RECEIPT OF A CERTIFICATE DOES NOT ENTITLE YOU TO REPRESENT IN ANY MANNER THAT YOU ARE A CERTIFIED KOIS PROVIDER OR AUTHORIZED TO ACT IN ANY MANNER ON BEHALF OF KOIS.
9. **Privacy.** The data and information that you provide during the online registration process is secured during transmission using security software, which encrypts information you input. The information that you provide will be stored in Kois's registration system as part of your official account. Kois does not share your personal data with any third party entity. Kois will not and will never sell, rent, or share your name, mailing address, email address or any other data that can personally identify you in any way to any outside group. However, Kois reserves the right to notify you via email, at the email address that you provide within your profile on the Kois Website about your registration status or upcoming courses Kois believes that you might find of interest. At any point you can choose to opt-out from these communications.
10. **Course Materials.**
  - a. General Rule. Except as otherwise provided in Section 10b and Section 10c, upon full payment of your course registration fees for a particular course (including a Kois Annual Symposium) and provided you are attending such course (or such Kois Annual Symposium, if applicable), you will then be given on the first (1st) day of such course (or first (1st) day of such Kois Annual Symposium, if applicable) access to the course materials to view online and/or to print a hard copy thereof (if you so desire) for your personal use during your education at the Kois Center and in connection with the operation of your dental practice and/or your professional development. Use of the course materials (or materials for a Kois Annual Symposium) by your employees in connection with the operation of your dental practice shall not be deemed a breach of this Section 10a; provided, however, you have first obtained their written agreement to be bound to this Section 10a of this Agreement. Your acceptance of this Agreement specifically confirms your agreement that you shall not at any time without the prior written consent of Kois (whose consent may be withheld for any reason within the sole discretion of Kois) (i) modify or alter the course materials or materials distributed at a Kois Annual Symposium that are provided to you; (ii) convert such materials into a digital format, including but not limited to a *pdf* file, and (iii) redistribute or allow access to such materials to any third party by electronic or physical means.
  - b. Updated Course Materials. If you have completed a particular course offered by Kois, you may purchase updated versions of such course materials, as prepared by Kois from time to time, in accordance with and subject to the terms of Section 10a and Sections 12 through 29.
  - c. Annual Symposium. If you are unable to attend a Kois Annual Symposium but want to purchase copies of the materials that are distributed by Kois to attendees of that Symposium,

you may do so in accordance with and subject to the terms of Section 10a and Sections 12 through 29.

11. **Misuse of Online Registration.** Any misuse of this online registration system or breach of this Agreement may result in the revocation of your access as well as other sanctions deemed appropriate by Kois and/or available under the law.

## **PURCHASE OF KOIS CENTER PRODUCTS**

The next part of this Agreement (Sections 12 through 22) applies if you are purchasing "Products," as defined below, from Kois online:

12. **Definition of "Products."** The term "Products" applies to any item available for purchase from Kois through the Kois Website, including, but not limited to, (i) any instrument or tool for use in your dental practice, (ii) certain course materials including materials distributed as part of a Kois annual symposium (please note that not all course materials will be available for purchase), (iii) forms, (iv) journals, (v) case studies, (vi) catalogues, (vii) brochures and (viii) DVDs. Kois plans to offer some of its Products in a digital format, i.e., as a *pdf* file, and other Products in other formats such as a text format. In addition, case studies might be available in a Power Point format. For purposes of this Agreement, Products that are in available for purchase in a digital format may be individually referred to as a "Digital Product" and collectively referred to "Digital Products" and Products that are in available for purchase in another format such as a text format may be individually referred to as a "Text Product" and collectively referred to "Text Products" Ordering Products online through the Kois Website constitutes your acceptance of and agreement to comply with the terms and conditions of this Agreement.
13. **Ordering Instructions.** To place your order for one or more of the Products, simply add items to your online shopping cart and proceed through checkout. All prices are in U.S. Dollars. Payment in full is required at the time of purchase. You are also responsible for all shipping and handling charges.
14. **Credit Card Authorization for the Products.** If you elect to pay for the Products with your credit card then you: (i) authorize Kois to charge your card for the full amount for the Products plus all handling and shipping charges in a single payment less any amount for the Products for which you applied your available Customer Credit and/or paid with your issued Kois Bucks, as described in Section 15; (ii) consent to the transfer of your encrypted credit card information and the dollar amount of the transaction to external companies for credit verification; and (iii) agree to pay the amount charged according to the card issuer agreement.
15. **Using Your Customer Credit and Kois Bucks to Purchase Products.** If you purchase a Product through the Kois Website then you shall have a right to apply some or all of your available Customer Credit and/or issued Kois Bucks towards the purchase price of such Product. Use of your Kois Bucks will result in you having to pay a smaller dollar amount for your Product than if you did not use your Kois Bucks.
16. **Additional Restrictions Regarding Digital Documents.** By purchasing a Digital Product you specifically agree that such purchase is subject to the following additional restrictions:
  - a. **Use of Digital Product.** The Digital Product shall not be altered or modified by you and shall only be used by you in connection with the operation of your dental practice and/or in connection with your professional development. Use of a Digital Product by your employees in connection with the operation of your dental practice shall not be deemed a breach of this

Section 16; provided, however, you have first obtained their written agreement to be bound to Section 16 of this Agreement.

- b. No Right to Transfer Digital Product. Except as otherwise provided in Section 16, you shall have no right to share, transmit, transfer, assign, convey, sell, gift, or sublicense the use of a Digital Product to a third party without the prior written consent of Kois whose consent may be withheld for any reason whatsoever. Any authorized sharing, transmission, transfer, assignment, conveyance, sale, gift, or sublicensing of a Digital Product without the prior written consent by Kois shall be a material breach of this Agreement.
- c. Liquidated Damages. Since proving the amount of actual damages caused to Kois by a breach or a violation of this Section will be difficult to calculate precisely, you agree that Kois shall be entitled to recover the sum of \$1,000 for each breach or violation as liquidated damages, which amount the parties agree is a reasonable estimate of the actual damages that would be sustained by Kois on account of your breach or violation of Section 16. However, Kois may at its option attempt to prove and recover the precise amount of its actual damages arising from such breach or violation.
- d. Unauthorized Alterations or Modifications to Digital Product. In the event you alter or modify a Digital Product without the expressed prior written consent of Kois, you acknowledge and agree that Kois shall not have any liability to your patients and/or to you for any damages that your patients and/or you incur as a result of your use of an unauthorized altered or modified Digital Product.

17. **Additional Restrictions Regarding Text Documents**. By purchasing a Text Product you specifically agree that such purchase is subject to the following additional restrictions:

- a. Use of Text Product. The Text Product shall not be altered or modified by you and only be used by you in connection with the operation of your dental practice and/or in connection with your professional development. Use of a Text Product by your employees in connection with the operation of your dental practice shall not be deemed a breach of this Section 17; provided, however, you have first obtained their written agreement to be bound to Section 17 of this Agreement.
- b. No Right to Transfer Text Product. Except as otherwise provided in Section 17, you shall have no right to share, transmit, transfer, assign, convey, sell, gift, or sublicense the use of a Text Product or any modification of the Text Product by you to a third party without the prior written consent of Kois whose consent may be withheld for any reason whatsoever. Any unauthorized sharing, transmission, transfer, assignment, conveyance, sale, gift, or sublicensing of a Text Product or any modification of the Text Product by you without the prior written consent by Kois shall be a material breach of this Agreement.
- c. Liquidated Damages. Since proving the amount of actual damages caused to Kois by a breach or violation of Section will be difficult to calculate precisely, you agree that Kois shall be entitled to recover the sum of \$1,000 as liquidated damages for each breach or violation, which amount the parties agree is a reasonable estimate of the actual damages that would be sustained by Kois on account of your breach or violation of Section 17. However, Kois may, at its option, attempt to prove and recover the precise amount of its actual damages arising from such breach or violation.

d. Alterations or Modifications to Text Product. In the event you alter or modify a Text Product, you acknowledge and agree to the following:

- (1) No Liability by Kois. Kois shall have no liability to your patients and/or to you for any damages that your patients and/or you incur as a result of your use the Text Product and any alteration or modification thereto.
  
- (2) Form of Altered or Modified Text Product. The form of the altered or modified Text Product shall not be “confusingly similar” to any of the Products offered by Kois. The determination of whether the form of the altered or modified Text Product is “confusingly similar” shall be made by Kois acting in a commercially reasonable manner. In the event Kois determines that the form of the altered or modified Text Product is “confusingly similar,” then Kois shall promptly notify you in writing and provide you with a reasonably detailed explanation of its determination. The explanation may include suggestions on how the altered or modified Text Product may be changed so that it is no longer deemed “confusingly similar” to the Products offered by Kois. After you receive such notice from Kois you agree to cease immediately the use of such altered or modified Text Product and you agree to provide Kois for its prior review and approval your proposed revisions to the previously altered or modified Text Product. The purpose of such revisions will be to persuade Kois to change its determination about the altered or modified Text Product being “confusingly similar” to the Products offered by Kois. Kois’s approval of such revisions shall not be unreasonably withheld, delayed or conditioned.

18. **Return Policy for the Products.** Except as otherwise provided with respect to a particular Product, Kois will give you a full refund for the amount paid for a Product (excluding the dollar value of the Kois Bucks that you applied towards the payment of the Product) if:

- You are not 100% satisfied with a Product and you contact Kois within thirty (30) days of receiving the Product in accordance with Section 4d;
- You return the Product to Kois at your expense within ten (10) days of notifying Kois of your intent to return the Product for a full refund;
- Kois receives the Product back in a re-saleable condition; and
- In the case of DVDs, the package is unopened.

If you purchased a Digital Product or a Text Product, Kois will give you a full refund for the amount paid for the Digital Product or the Text Product (excluding the dollar value of the Kois Bucks that you applied towards the payment of the Digital Product or the Text Product) if:

- You are not 100% satisfied with the Digital Product or a Text Product and you contact Kois within thirty (30) days of your purchase of the Digital Product or a Text Product in accordance with Section 4d;

- You return to Kois at your expense within ten (10) days of notifying Kois of your intent to return the Digital Product or the Text Product for a full refund all copies of the Digital Product or the Text Product that are in your possession or under your control in whatever form or format the Digital Product or Text Product is in; and
- You immediately delete all copies of the Digital Product or the Text Product after notifying Kois of your intent to return the Digital Product or the Text Product from all computers in your possession or control where the Digital Product or the Text Product was stored.

If Kois gives you a refund as provided in this Section 18, then the number of Kois Bucks that you applied towards the payment of the Product shall be restored to you as if they had never been applied.

19. **Policies, License and Disclaimers.** Except as may be otherwise expressly stated in writing with respect to a particular Product, the Products are provided without any expressed or implied warranty. To the extent Kois makes any expressed warranties with respect to a particular Product such warranties shall only extend to the original purchaser of the Product and shall not be transferable. Digital Products and Text Products purchased from Kois are intended only as a guide and suggestion and that Kois has not made any warranty that any Digital Product or Text Product is appropriate for use in your dental practice. You agree that you are solely responsible for determining the propriety of using a Product in connection with your dental practice.
20. **Non-exclusive License.** By ordering any of the Products, you agree that the Products may not be reproduced, transferred, sold or assigned to other persons except as otherwise expressly stated herein. You understand and agree that Kois is granting to you a non-exclusive license to use the Products for your personal use only, or if you are a dental professional, for the office or clinic for which the Product was purchased. Since any expressed warranty that Kois makes with respect to a particular Product only applies to the original purchaser of the Product and is nontransferable, you agree that if you transfer, sell or assign a Product to a third person any expressed warranty that applies to such Product shall cease and be of no further legal effect. For Products which contain a copyright notice, including but not limited to the Digital Products and Text Products, you agree that Kois or Creative Restorative Excellence is the owner of such copyright and that you have no rights to use such Products except as expressly permitted under this Agreement and that the notice shall not be removed from such Products.
21. **No Liability Regarding Forms.** All Kois Digital Product and Text Products are to be used as a guide only. Accordingly, Kois shall have no responsibility to revise the forms to meet current law and your particular situation and no liability is assumed by Kois for errors that are found in the forms. . Furthermore no liability is assumed by Kois for improper use of the Digital Products and Text Products and you agree not to hold Kois and its members, managers, employees and agents liable for any damages arising from your use of the Digital Products, Text Products and any alteration or modification of the Text Product by you.
22. **No Warranty by Kois and Assumption of Risk.** EXCEPT AS MAY OTHERWISE BE STATED IN WRITING WITH RESPECT TO A PARTICULAR PRODUCT, THE PRODUCTS THAT ARE AVAILABLE FOR PURCHASE ON THE KOIS WEBSITE ARE BEING PURCHASED BY YOU IN THEIR “**AS IS**” CONDITION **WITHOUT** ANY EXPRESSED OR IMPLIED WARRANTIES OF ANY KIND BY KOIS AND BY JOHN C. KOIS, D.M.D., M.S.D., INCLUDING ANY WARRANTY THAT A

PRODUCT IS APPROPRIATE FOR YOU AND/OR YOUR DENTAL PRACTICE AND INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NONINFRINGEMENT OF INTELLECTUAL PROPERTY WARRANTY, OR DESIGN WARRANTY. IN NO EVENT SHALL KOIS, ITS MEMBERS, MANAGERS, OFFICERS, EMPLOYEES AND AGENTS, AND JOHN C. KOIS, D.M.D., M.S.D. BE LIABLE FOR ANY DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, BUSINESS INTERRUPTION, LOSS OF INFORMATION) ARISING OUT OF THE USE OF OR INABILITY TO USE THE PRODUCTS, EVEN IF KOIS AND/OR JOHN C. KOIS, D.M.D., M.S.D. WERE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

BY PURCHASING A PRODUCT YOU ASSUME ALL RESPONSIBILITY AND RISK FOR THE USE OF THE PRODUCT AND YOU AGREE THAT KOIS, ITS MEMBERS, MANAGERS, OFFICERS, EMPLOYEES AND AGENTS AND JOHN C. KOIS, D.M.D., M.S.D. DO NOT ASSUME ANY LEGAL LIABILITY OR RESPONSIBILITY FOR THE ACCURACY, COMPLETENESS, OR USEFULNESS OF ANY PRODUCT MADE AVAILABLE FOR PURCHASE ON THE WEBSITE. YOU FURTHER AGREE THAT KOIS, ITS MEMBERS, MANAGERS, OFFICERS, EMPLOYEES AND AGENTS AND JOHN C. KOIS, D.M.D., M.S.D. WILL NOT BE LIABLE FOR ANY COMPENSATORY, SPECIAL, DIRECT, INCIDENTAL, INDIRECT, CONSEQUENTIAL DAMAGES, EXEMPLARY DAMAGES OR ANY OTHER DAMAGES RESULTING FROM LOSS OF USE, DATA, OR PROFITS, ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE PRODUCTS, HOWEVER CAUSED, WHETHER FOR BREACH OF CONTRACT, WARRANTY, NEGLIGENCE, OR OTHERWISE, AND WHETHER OR NOT KOIS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

## II. COMMON TERMS AND CONDITIONS

This part of the Agreement (Sections 23 through 29) contains provisions that apply to any online course registration and online purchase of Products.

23. **Indemnification.** You agree to defend, indemnify and to hold Kois (including all of its members, managers, officers, employees, and agents) harmless from all claims, damages, costs and expenses (including the attorneys' fees of the indemnified parties), arising out of or related to: (i) your use of the Products (including any alteration or modification of a Text Product made by you); (ii) any inaccuracy of a warranty or representation made by you in this Agreement; and/or (iii) your breach or violation of any term or conditions of this Agreement. If you are a legal entity with limited liability, e.g., a limited liability company or a corporation, then your acceptance of this Agreement documents the agreement of your individual owners to be jointly and severally liable for your obligations under this Section 23.
24. **Survival.** Your duty and obligation to defend and indemnify Kois, its members, managers, officers, employees and agents under this Agreement and the duty and obligation of each of your individual owners, if you are a separate legal entity with limited liability, shall continue and survive the termination of this Agreement.
25. **Right to Modify and Amend.** Kois has the right to modify and amend the terms and conditions of this Agreement at any time, except no such modification or amendment shall affect any course registration or Product order submitted and accepted by Kois prior to the effective date of such modification and amendment. You acknowledge and agree that you need to consult the terms and

conditions of this Agreement each time you register for a Kois sponsored course or order Products through this Website. Any rights not expressly granted by Kois herein are reserved.

26. **Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Washington, as it is applied to agreements entered into and to be performed entirely within such State. You also agree and hereby submit to the exclusive jurisdiction of the courts of King County, Washington and the United States District Court for the State of Washington with respect to all actions and proceedings arising out of or pertaining to this Agreement.
27. **Severability.** If any part of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, but not limited to, then the invalid or unenforceable provision will be deemed severed from this Agreement and such court shall replace such severed provision by a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of the Agreement shall continue in effect.
28. **Attorneys Fees.** In the event you breach this Agreement and Kois is required to retain legal counsel to enforce its rights hereunder (whether Kois commences legal proceedings or not), you agree to pay the costs and reasonable attorneys' fees incurred by Kois in enforcing its rights.
29. **Entire Agreement.** This Agreement constitutes the entire agreement between you and Kois with respect to your online registration for a course and/or your online purchase of Products and supersedes all prior agreements, whether electronic, oral, or written, between you and Kois regarding the same. A printed version of this Agreement shall be admissible in judicial or administrative proceedings to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form.